



UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON, D.C. 20548

MANPOWER AND WELFARE  
DIVISION

FEB 20 1975

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Dr. Robert G. Kirkley, President  
Bay College of Maryland  
1106 N. Charles Street  
Baltimore, Maryland 21201

Assignment Code (10409)

Dear Dr. Kirkley:

We have recently surveyed the College Work-Study program administered by the Office of Education (OE), Department of Health, Education, and Welfare. Bay College of Maryland was one participating institution included in the survey, which covered program operations at both the OE and institution level during fiscal years 1972-74.

At the start of our work, college officials advised us of Bay College's extraordinary problems concerning missing student aid records and files during fiscal year 1972, which resulted from the college's association with the now defunct Baltimore Institute of Technology. In reviewing program operations, we tried to make allowances for these problems.

During fiscal year 1974, financial aid operations generally improved. For instance, after a full-time experienced aid director was hired late in 1973, the keeping of time and attendance and other payroll records improved. Although recordkeeping problems have diminished, other problems, particularly those involving compliance with program requirements, continued. For example:

--Chapter 4 of the OE College Work-Study program manual specifies that needs analysis documentation should be maintained in the student's aid folder. The lack of complete needs analysis documentation can cast doubt on the aid officer's basis for determining need and may lead to other problems, such as over-award. Financial aid folders for fiscal years 1972-74 revealed that needs analysis documentation was incomplete in 16 of 45 files (36 percent) selected at random from a universe of about 700 folders. Ten of these students were paid about \$9,100 from work-study funds during fiscal years 1973 and 1974. We could not determine how much the other six students had been paid, because time and attendance data and other payroll data either was missing or was incomplete.

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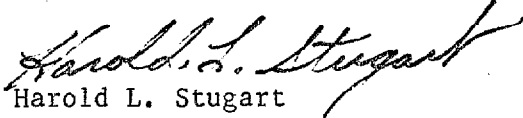
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--The manual also requires that the amount of a student's College Work-Study award be documented in his or her financial aid file. Failure to do this makes it impossible to determine when the student's earnings will exceed his or her award or estimated total need. In 17 of 45 files (38 percent) reviewed, no award amount for College Work-Study was specified; 9 of these files were for fiscal years 1973 and 1974. Of the 28 remaining students for whom award data was available, 7 earned a total of about \$4,400 more than their approved award amounts.

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We are sending a copy of this letter to the Secretary of Health, Education, and Welfare. We discussed the matters in this letter with your financial aid staff, and they said corrective actions had been or would be taken. Please thank your staff for their cooperation.

Sincerely yours,

  
Harold L. Stugart  
Associate Director